



FINANCE COMMITTEE

CITY COUNCIL

MONDAY, JULY 6, 2009
CITY COUNCIL OFFICE
5:00 p.m.
AGENDA

Committee: J. Waltman, Chair, S. Fuhs, M. Baez

COMMITTEE OF THE WHOLE

- **2008 External Audit Review – Herbein & Co. 5:00 pm**
-

FINANCE COMMITTEE

1. Review Ordinance increasing the fees in the Codes, Planning, Parks & Rec and Zoning areas *(requested at 5-18 work session)* **6:00 p.m.**

2. Blue Ribbon Panel Update 6:20 p.m.

3. 2010 Budget Preparation & Strategy Update 6:40 p.m.

- a. 2010 Revenue Projections
- b. 2010 Expenditure Projections
- c. CDBG project allocation tracking (unused funds, etc)

4. Local Option Sales Tax

5. RAWA Easement (M. Setley)



CITY COUNCIL

Finance Committee

Meeting Report Monday, June 1, 2009

Committee Members Attending: J. Waltman, M. Baez,

Others Attending: L. Kelleher, C. Kanezo

The Finance Committee meeting was called to order by Mr. Waltman, chair, at the conclusion of the Committee of the Whole meeting.

ORDINANCE ADDRESSING INCREASING FEES IN PUBLIC WORKS ENGINEERING AREAS

Ms. Kelleher stated that she and Mr. Hottenstein reviewed the Maximus report and prepared recommended fee increases for various areas. She stated that at the May Work Session City Council requested that fee increases be forwarded in individual groups. She inquired when the administration would be forwarding the first ordinance to increase the fees as recommended. Mr. Kanezo stated that the first ordinance increasing Public Works Engineering fees would be introduced on Monday, June 8th.

Update: Blue Ribbon Panel

Mr. Kanezo stated that he was unaware of the Blue Ribbon Panel's activities.

Ms. Kelleher stated that the Blue Ribbon Panel has divided into two (2) committees; one to address operational areas and the second to review and address state issues. She stated that the operations committee has been in contact with the Council office and requested various pieces of information such as the external audits for the Reading Public Library, the Maximus Fee Study, the City's Comprehensive Plan, overtime and staffing levels of Police and Fire Department, etc. This information has been compiled by the Council office and forwarded to the Operation's Committee. The Committee is expected to meet sometime before the next meeting of the full Blue Ribbon Panel meeting in July.

2010 Budget Preparation

Mr. Kanezo stated that the Budget Committee had three (3) meetings to define revenue based on no tax increases and set expenses accordingly.

Mr. Waltman noted that as the Administration is predicting a 10-15 million dollar gap by the end of 2009, the Administration should be working to identify adjustments to the 2009 budget that can reduce that large gap. Mr. Kanezo replied that the Administration is not working to identify remedies or corrections to the 2009 budget that will address the expected budget gap. He stated that the City plans to retain a consultant to review the AP or AR operations.

Mr. Waltman inquired why the Finance Director and Managing Director are not at the Finance meeting to discuss these critical budget issues.

Mr. Kanezo did not respond.

Mr. Waltman noted the need for the Administration to work to address alternatives as Act 47 will not solve the City's financial problems alone. He noted the need for the Administration to be preparing now and working to reduce the projected 2009 budget gap. He noted a variety ways that the projected gap could be lessened and questioned why the Administration is not taking appropriate steps.

Mr. Waltman stated that as the Finance Director and Managing Director are not in attendance it is not worth discussing the remaining items concerning the 2010 budget.

CDBG Allocation Tracking

Mr. Waltman noted the need to track and measure unused or leftover CDBG allocations. He stated that in the past these allocations were not tracked, which culminated in several million dollars that needed to be spent in a very speedy fashion. He stated that at times projects come in under budget or for some reason projects that are funded are not undertaken which results in unused CDBG funding. He stated that these unused dollars could be more responsibly expended during the calendar year when various community needs are identified. He inquired if the Community Development department is seeking the assistance of Triad to track and monitor these unused dollars as it has been done in the past.

Mr. Mayes replied that he will be working with Triad in the near future to begin monitoring unused CDBG funds. He agreed that the method used in the past to track and spend these unallocated funds was problematic causing the City to make several fire truck purchases just to use the money quickly. He agreed that this money could best be spent on community projects rather than fire trucks. Mr. Mayes distributed a sheet covering CDBG allocations between 2005 and present showing the activity, the allocation and the amount spent. He stated that after reviewing the sheet it seems \$700,000 is available for other community projects.

Ms. Kelleher suggested that the Community Development department purchase 118 West Elm St. at the upcoming Free and Clear Sheriff Sale. She stated that this property is on the Blighted Property Review Committee's target list for the 2008-2009 calendar year. She stated that it would be much less costly to purchase the property at the Free and Clear tax

sale then it would to go through the costly and lengthy eminent domain process.

Mr. Waltman also noted his past request to dedicate funding towards the facade improvements at the artifacts bank. Ms. Kelleher inquired when the Lincoln Wyndham Hotel loan payments funded by the CDBG budget will be complete. Mr. Mayes stated he will report that after researching.

Mr. Waltman noted that the residuals from the CDBG budget generally fall into three (3) buckets, however, past projects funded show that the leftover money need not be spent in the same service areas.

Mr. Mayes stated that he will report back next month on the available CDBG allocations.

The Finance Committee meeting adjourned at 5:50pm.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk

FOLLOW-UP ISSUES

- Recommendation for contract award for independent contractor to undertake collection activities as required by Resolution 131-2008 – first report from contractor due June 1st.
- Report – Blue Ribbon Panel meeting & panel focus areas
- 2010 Budget Summit Sat June 20th 9 a.m.
 - provide support documentation one week in advance
 - define core services
 - Work Plans – provide copies to Auditor and Council
 - Poll to identify Council's position on various tax, fee, fine increases
- Update on Utility Billing issues & hiring Utility Billing Manager
- Maximus Recommendations
 - Ordinance to enact increases
- Report unexpended CDBG funds

BILL NO. _____
AN ORDINANCE

**AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF
READING, BERKS COUNTY, PENNSYLVANIA, FEE SCHEDULE, ADMINISTRATIVE
FEES, POLICE DEPARTMENT, DIVISION OF CODES FEES.
THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:**

SECTION 1: The Code of Ordinances of the City of Reading, Berks County, Pennsylvania, Fee Schedule, Administrative Fees, Police Department, Division of Codes Fees shall be and is hereby amended and shall hereafter be set forth as shown in Exhibit A attached hereto and made a part here.

SECTION 2: All other items, parts, sections, etc. of the Code of Ordinances of the City of Reading, Berks County, Pennsylvania, which are contrary to the amended chart attached as Exhibit A are hereby repealed; otherwise all other parts, sections, etc. of said Code and Chapter shall remain in effect unchanged and likewise are ratified.

SECTION 3: This ordinance shall be effective ten (10) days after its adoption and approval by the Mayor, in accordance with Section 219 of the City of Reading Home Rule Charter.

Enacted _____, 2009

President of Council

Attest:

City Clerk

Submitted to Mayor: _____

Date: _____

Received by the Mayor's Office: _____

Date: _____

Approved by Mayor: _____

Date: _____

Vetoed by Mayor: _____

Date: _____

EXHIBIT A

Department	Division	Item	Term	Old Fee	Year of Old Increase	New Fee
Police	Codes	Sidewalk Sale	Permit	\$250	2007	\$210
Police	Codes	Sidewalk Café	Permit	\$275	2007	\$210
Police	Codes	Mini Café	Permit	\$25	2007	\$80
Police	Codes	Single Family/Boarding House	Permit	\$25	2003	\$295
Police	Codes	Single Family Rental One Unit	Registration	\$50	2003	\$295
Police	Codes	Single Family Rental Two Unit	Registration	\$100	2003	\$320
Police	Codes	Single Family Rental Three Unit	Registration	\$150	2003	\$350
Police	Codes	Single Family Rental Four Unit	Registration	\$200	2003	\$375
Police	Codes	Single Family Rental Five Unit	Registration	\$250	2003	\$405
Police	Codes	Single Family Rental Five + Unit	Registration	\$50	2003	\$80
Police	Codes	Schedule Re-inspection – 3 rd Violation	Occurrence	\$100	2007	\$465
Police	Codes	Housing Inspection no show	Occurrence	\$50	2007	\$70
Police	Codes	Small Restaurant	Yearly	\$80	2005	\$160
Police	Codes	Large Restaurant	Yearly	\$120	2005	\$165
Police	Codes	Itinerant Restaurant	Yearly	\$15	2005	\$100
Police	Codes	Ancileray Restaurant	Yearly	\$15	2005	\$80
Police	Codes	Small Grocery	Yearly	\$100	1990	\$150
Police	Codes	Large Grocery	Yearly	\$125	1990	\$175
Police	Codes	Supermarket	Yearly	\$200	1990	\$180
Police	Codes	One Item Wholesale LLC	Yearly	\$100	1990	\$335
Police	Codes	Multi Item Wholesale LLC	Yearly	\$175	1990	\$150
Police	Codes	Small Processing License	Yearly	\$80		\$185
Police	Codes	Large Processing License	Yearly	\$175		\$160
Police	Codes	Vending Machine Enclosed	Yearly	\$12	2002	\$45
Police		Vending Machine Public Right of Way	Yearly	\$20	2002	\$40
Police	Codes	Mobile Vending	Yearly	\$100	2002	\$75
Police	Codes	Catering/Commissary License	Yearly	\$45	2002	\$175
Police	Codes	Bakery License	Yearly	\$50	2002	\$160
Police	Codes	Deli License	Yearly	\$80	2002	\$150
Police	Codes	Food Permit Failure	Occurrence	\$0	2002	\$55
Police	Codes	Health Permit Failure	Occurrence	\$0	2005	\$50
Police	Codes	Health Code Violation 1 st	Occurrence	\$10	2005	\$70
Police	Codes	Health Code Violation 2 nd	Occurrence	\$25	2005	\$95
Police	Codes	Health Code Violation No Show	Occurrence	\$50	2005	\$70

AN ORDINANCE

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF READING, BERKS COUNTY, PENNSYLVANIA, FEE SCHEDULE, ADMINISTRATIVE FEES, COMMUNITY DEVELOPMENT DEPARTMENT, DIVISION OF PLANNING FEES. THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:

SECTION 1: The Code of Ordinances of the City of Reading, Berks County, Pennsylvania, Fee Schedule, Administrative Fees, Community Development Department, Division of Planning Fees shall be and is hereby amended and shall hereafter be set forth as shown in Exhibit A attached hereto and made a part here.

SECTION 2: All other items, parts, sections, etc. of the Code of Ordinances of the City of Reading, Berks County, Pennsylvania, which are contrary to the amended chart attached as Exhibit A are hereby repealed; otherwise all other parts, sections, etc. of said Code and Chapter shall remain in effect unchanged and likewise are ratified.

SECTION 3: This ordinance shall be effective ten (10) days after its adoption and approval by the Mayor, in accordance with Section 219 of the City of Reading Home Rule Charter.

Enacted _____, 2009

President of Council

Attest:

City Clerk

Submitted to Mayor: _____

Date: _____

Received by the Mayor's Office: _____

Date: _____

Approved by Mayor: _____

Date: _____

Vetoed by Mayor: _____

Date: _____

EXHIBIT A

Department	Division	Item	Old Fee	Year of Old Increase	New Fee
CD	Planning	RLD Sketch or Revision 1-5	\$100	2002	\$780
CD	Planning	RLD Sketch or Revision 6-40	\$200	2002	\$810
CD	Planning	RLD Sketch or Revision 40+	\$300	2002	\$970
CD	Planning	RLD Prelim 1-5	\$200	2002	\$1,235
CD	Planning	RLD Prelim 6-40	\$400	2002	\$1,465
CD	Planning	RLD Prelim 40+	\$600	2002	\$1,520
CD	Planning	RLD Final 1-5	\$500	2002	\$1,345
CD	Planning	RLD Final 6-40	\$700	2002	\$1,670
CD	Planning	RLD Final 40+	\$900	2002	\$1,720
CD	Planning	CLD Sketch or Revision < 2 acre	\$100	2002	\$790
CD	Planning	CLD Sketch or Revision 2-10 acre	\$200	2002	\$830
CD	Planning	CLD Sketch or Revision 10+ acre	\$300	2002	\$1,010
CD	Planning	CLD Prelim < 2 acre	\$200	2002	\$1,400
CD	Planning	CLD Prelim 2-10 acre	\$400	2002	\$1,640
CD	Planning	CLD Prelim 10+ acre	\$600	2002	\$1,675
CD	Planning	CLD Final < 2 acre	\$500	2002	\$1,500
CD	Planning	CLD Final 2-10 acre	\$700	2002	\$1,840
CD	Planning	CLD Final 10+ acre	\$900	2002	\$1,880
CD	Planning	SD/Annex Sketch or Revision 1-5	\$50	2002	\$675
CD	Planning	SD/Annex Sketch or Revision 6-25	\$100	2002	\$745
CD	Planning	SD Annex Sketch or Revision 25+	\$200	2002	\$820
CD	Planning	SD/Annex Prelim 1-5	\$100	2002	\$920
CD	Planning	SD/Annex Prelim 6-25	\$200	2002	\$1,110
CD	Planning	SD/Annex Prelim 25+	\$300	2002	\$1,120
CD	Planning	SD/Annex Final 1-5	\$200	2002	\$900
CD	Planning	SD/Annex Final 6-25	\$300	2002	\$1,080
CD	Planning	SD/Annex Final 25+	\$600	2002	\$1,100
CD	Planning	Parking lot review 50 or less	\$100	2002	\$820
CD	Planning	Parking lot review every 10 over 50	\$10	2002	\$900

BILL NO. _____

AN ORDINANCE

**AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF
READING, BERKS COUNTY, PENNSYLVANIA, FEE SCHEDULE, ADMINISTRATIVE
FEES, PUBLIC WORKS DEPARTMENT, PARKS AND RECREATION FEES.
THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:**

SECTION 1: The Code of Ordinances of the City of Reading, Berks County, Pennsylvania, Fee Schedule, Administrative Fees, Public Works Department, Parks and Recreation Fees shall be and is hereby amended and shall hereafter be set forth as shown in Exhibit A attached hereto and made a part here.

SECTION 2: All other items, parts, sections, etc. of the Code of Ordinances of the City of Reading, Berks County, Pennsylvania, which are contrary to the amended chart attached as Exhibit A are hereby repealed; otherwise all other parts, sections, etc. of said Code and Chapter shall remain in effect unchanged and likewise are ratified.

SECTION 3: This ordinance shall be effective ten (10) days after its adoption and approval by the Mayor, in accordance with Section 219 of the City of Reading Home Rule Charter.

Enacted _____, 2009

President of Council

Attest:

City Clerk

Submitted to Mayor: _____

Date: _____

Received by the Mayor's Office: _____

Date: _____

Approved by Mayor: _____

Date: _____

Vetoed by Mayor: _____

Date: _____

EXHIBIT A

Department	Division	Item	Old Fee	Year of Old Increase	New Fee
Public Works	Parks and Recreation	Field House - 6 hours	\$75	2008	\$180
Public Works	Parks and Recreation	Field House – 7 hours	\$100	2008	\$250
Public Works	Parks and Recreation	Gymnasium, 3 rd and Spruce - 2-3 hours	\$175	2008	\$200
Public Works	Parks and Recreation	Gymnasium, 11 th and Pike – 2-3 hours	\$125	2008	\$150
Public Works	Parks and Recreation	Gymnasium, 3 rd and Spruce – 4-6 hours	\$225	2008	\$250
Public Works	Parks and Recreation	Gymnasium, 11 th and Pike – 4-6 hours	\$150	2008	\$175
Public Works	Parks and Recreation	Small Pavilion – 6 hours	\$35	2008	\$100
Public Works	Parks and Recreation	Small Pavilion – 6 + hours	\$40	2008	\$150
Public Works	Parks and Recreation	Large Pavilion – 6 hours	\$50	2008	\$150
Public Works	Parks and Recreation	Large Pavilion – 6 + hours	\$60	2008	\$200
Public Works	Parks and Recreation	Band Shell – 6 hours	\$175	2008	\$600
Public Works	Parks and Recreation	Band Shell Penalty	\$600 + costs	2008	\$1,000 + costs
Public Works	Parks and Recreation	Pagoda	\$100	2008	\$500
Public Works	Parks and Recreation	Ball Field - 2 hours, before 8	\$15	2008	\$40
Public Works	Parks and Recreation	Ball Field – 2 hours, 8-10 p.m.	\$20	2008	\$70